

# **SPDR<sup>®</sup> STRAITS TIMES INDEX ETF**

Stock Code: ES3

Website: [www.ssga.com/sg](http://www.ssga.com/sg)

## **Semi-Annual Report 2021**

1st July 2021 to 31st December 2021

**STATE STREET** GLOBAL  
ADVISORS  
**SPDR<sup>®</sup>**

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# SPDR® STRAITS TIMES INDEX ETF

Semi-Annual Report 2021

## MANAGER'S INVESTMENT REPORT

*For the period ended 31 December 2021 (unaudited)*

### Manager's Notes

*About SPDR® STRAITS TIMES INDEX ETF (the "Fund")*

SPDR® STRAITS TIMES INDEX ETF (the "Fund"), Singapore's first locally created exchange traded fund, is designed to track the performance of the Straits Times Index ("STI"). Shares of SPDR® STRAITS TIMES INDEX ETF were listed and traded on Singapore Exchange Security Trading Limited ("SGX-ST") since 17 April 2002.

### *Details of the Fund*

NAV per share (31 December 2021):	S\$3.170
Net Assets Attributable to Unitholders (31 December 2021):	S\$1,629.16 million
Fund Currency:	Singapore dollar
Listing Date on SGX-ST:	17 April 2002
Stock Code on SGX-ST:	ES3
Board Lot:	10 shares
Price:	Approximately 1/1000th of the STI
CPF Usage:	Included in CPF Investment Scheme – Ordinary Account
Annual Costs:	0.3%

### *Benefits of investing in the Fund*

SPDR® STRAITS TIMES INDEX ETF offers investors the opportunity to gain diversified exposure to the leading companies in Singapore and participate in Singapore's long term growth potential in a single transaction, at relatively low cost.

Just like any share listed on SGX-ST, investors can buy and sell anytime during the trading day, on margin or sell short. Investors can also receive regular dividends. Unlike ordinary unit trusts, there are no sales charges upon purchase. Instead, investors pay brokerage commissions to buy or sell. SPDR® STRAITS TIMES INDEX ETF's total annual fees, including management and trustee fees, are also low at 0.3%.

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**MANAGER'S INVESTMENT REPORT** *(continued)*

*For the period ended 31 December 2021 (unaudited)*

*Performance of the Scheme*

	3-month	6-month	1-year	3-year	5-year	10-year	Annualised Since inception
From	30-Sep-21	30-Jun-21	31-Dec-20	31-Dec-18	31-Dec-16	31-Dec-11	11-Apr-02
To	31-Dec-21	31-Dec-21	31-Dec-21	31-Dec-21	31-Dec-21	31-Dec-21	31-Dec-21
Fund*	1.68%	1.37%	13.10%	4.11%	5.03%	4.81%	6.39%
STI	1.75%	1.54%	13.56%	4.54%	5.46%	5.30%	6.46%

\* Includes dividends and net of fees

Notes:

- (i) As stated in the financial statements, units are issued and redeemed through the creation and redemption of an Index Basket in accordance with the Fund's Trust Deed. The Fund does not, therefore, publish a bid price and the Fund's returns have been computed from Net Asset Values. The net distributions of the Fund have been included for the purposes of this return calculation.
- (ii) The benchmark returns are calculated on a total return basis.

*Details of Top 10 Holdings of the Fund*

As at 31 December 2021						
	Market Value/ Cost (\$)	Fair Value (\$)	Percentage of total net assets value %	Percentage of free-float adjusted share capital owned %	Dividends received (\$)	Dividend Cover Ratio
DBS Group Holdings Limited	216,566,299	317,089,735	19.46	0.54	6,439,452	2.14
Overseas Chinese Banking Corporation	183,905,582	215,112,072	13.21	0.54	4,773,773	2.48
United Overseas Bank Limited	146,039,417	187,212,272	11.49	0.54	4,225,927	2.16
Singapore Telecommunications Limited	111,440,343	94,240,602	5.78	0.54	2,814,406	0.45
Jardine Matheson Holdings Limited	77,854,724	82,699,779	5.08	0.54	675,543	–
Ascendas Real Estate Investment Trust	55,026,681	54,244,452	3.33	0.54	362,338	0.85
CapitaLand Integrated Commercial Trust	54,451,841	52,472,058	3.22	0.54	2,484,917	0.62
CapitaLand Investment Limited	39,520,332	47,472,813	2.91	0.54	–	–
Wilmar International Limited	43,024,958	47,087,996	2.89	0.54	575,800	1.66
Hong Kong Land Holdings Limited	41,388,384	43,952,295	2.70	0.54	518,580	–
	<u>969,218,561</u>	<u>1,141,584,074</u>				

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**MANAGER'S INVESTMENT REPORT** *(continued)*

*For the period ended 31 December 2021 (unaudited)*

*Details of Top 10 Holdings of the Fund (continued)*

	As at 31 December 2020					
	Cost	Market Value/ Fair Value	Percentage of total net assets value	Percentage of free-float adjusted share capital owned	Dividends received	Dividend Cover Ratio
	(\$)	(\$)	%	%	(\$)	
DBS Group Holdings Limited	212,761,891	257,302,752	16.07	0.57	3,374,420	2.03
Overseas Chinese Banking Corporation	189,436,410	202,351,588	12.64	0.57	2,681,100	2.08
United Overseas Bank Limited	152,761,871	166,982,434	10.43	0.57	2,459,082	1.96
Singapore Telecommunications Limited	123,459,330	98,863,170	6.18	0.57	4,032,165	0.38
Jardine Matheson Holdings Limited	86,026,273	89,299,803	5.58	0.57	609,477	4.45
Wilmar International Limited	45,191,203	56,715,906	3.54	0.57	376,063	2.16
Ascendas Real Estate Investment Trust	54,407,219	55,945,447	3.49	0.57	1,918,054	0.91
CapitaLand Integrated Commercial Trust	53,902,719	54,197,210	3.39	0.57	744,203	1.58
CapitaLand Limited	45,179,082	48,532,995	3.03	0.57	1,311,728	3.53
Keppel Corporation Limited	47,025,455	44,394,436	2.77	0.57	200,967	1.95
	<u>1,010,151,453</u>	<u>1,074,585,741</u>				

The industry in which the above companies conduct their business is shown in the Statement of Portfolio on pages 11 to 15.

*Amount of Subscription and Redemption*

For the period ended 31 December 2021

	Units	S\$
Subscription	10,700,000	33,370,091
Redemption	(21,600,000)	(70,063,021)

*Other Information*

During the period ended 31 December 2021, the Fund had no exposure to other unit trusts, mutual funds and collective investment schemes (except for certain listed funds that are included in the Straits Times Index) and did not hold any collateral. During the period ended 31 December 2021, the Fund had no borrowings, securities lending and repurchase transactions. There are no other material information that will adversely impact the valuation of the Fund.

## **MANAGER'S INVESTMENT REPORT** *(continued)*

*For the period ended 31 December 2021 (unaudited)*

### *Soft Dollar Practices*

The Manager may receive soft dollar commissions/arrangements in respect of the Fund and is subject to the applicable regulatory and industry standards on soft dollars. The soft dollar commissions/arrangements which the Manager may for the time being receive or enter into include specific advice as to the advisability of dealing in or as to the value of any investments, research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis, and custodial service in relation to the investments managed for clients.

Brokers for the Fund are selected on the basis of the best available terms for execution. As the Manager is a part of the State Street Group which approaches soft dollar on a group wide basis, the benefits received by the Manager through soft dollars may or may not be directly related to the transactions performed for the Fund.

The goods and services received were for the benefit of the Fund. The trades were executed on best available terms, and there was no churning of trades.

During the period ended 31 December 2021, the Manager had not participated in any soft dollar arrangements in respect of any transactions for the account of the Fund.

### *Financial Ratios*

	<b>As at</b>	
	<b>31 December 2021 S\$</b>	31 December 2020 S\$
Total operating expenses	<b>5,022,384</b>	3,326,150
Average daily net asset value	<b>1,674,205,779</b>	1,108,545,828
Total expense ratio <sup>1</sup>	<b>0.30%</b>	0.30%
Lower of total value of purchases or sales	<b>31,439,990</b>	60,139,556
Average daily net assets value	<b>1,657,574,007</b>	1,315,307,973
Total turnover ratio <sup>2</sup>	<b>1.90%</b>	4.57%

## **MANAGER'S INVESTMENT REPORT** *(continued)*

*For the period ended 31 December 2021 (unaudited)*

### *Financial Ratios (continued)*

- 1 The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the Fund's expense ratio at financial period end was based on total operating expenses divided by the average net asset value respectively for the financial period. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Fund does not pay any performance fee. The average net asset value is based on the daily balances for the period from 1 January 2021 to 31 December 2021.
- 2 The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. In accordance with the Fund's Trust Deed, units are issued through a creation of an Index Basket. For each creation Unit (comprising 500,000 units), the Fund receives an Index Basket consisting of Index Shares plus or minus a cash payment as determined by the Manager on a daily basis. For the purpose of computation of the portfolio turnover rate, the value of the Index Baskets received is not considered as part of purchases. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments divided by the average daily net asset value for the period from 1 July 2021 to 31 December 2021.

### *Exposure to Financial Derivatives*

The Fund had no exposure to derivative for the period ended 31 December 2021.

### *Global Exposure to Financial Derivatives*

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of:

- (a) The absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements;
- (b) The absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- (c) The sum of the values of cash collateral received pursuant to:
  - (i) The reduction of exposure to counterparties of OTC financial derivatives; and
  - (ii) EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

### *Related party disclosures*

- (a) The Manager and the Trustee of the Fund are State Street Global Advisors Singapore Limited and DBS Trustee Limited, respectively. State Street Global Advisors Singapore Limited is an indirect wholly-owned subsidiary of State Street Corporation. DBS Trustee Limited is a wholly-owned subsidiary of DBS Group Holding Ltd. ("DBS").

State Street Bank and Trust Company ("SSB") is the custodian of the Fund and is a subsidiary of State Street Corporation.



## **MANAGER'S INVESTMENT REPORT** *(continued)*

*For the period ended 31 December 2021 (unaudited)*

*Related party disclosures (continued)*

(b) The cash balance of the Fund is held in current accounts as follows:

	<b>As at</b>	
	<b>31 December</b>	<b>30 June</b>
	<b>2021</b>	<b>2021</b>
	<b>S\$</b>	<b>S\$</b>
<b>State Street Bank and Trust Company, Singapore Branch</b>		
Cash and bank balances	<b>25,683,287</b>	26,876,832

### *Distribution*

On 3 August 2021, the Fund declared a dividend distribution of S\$0.043 per unit in relation to the income received in the financial year ended 30 June 2021. This dividend distribution is made out of Singapore tax exempt (one-tier) dividends and other exempt income and income taxable at trustee level. The dividend totalling S\$22,471,815 was paid on 25 August 2021.

It is anticipated that distributions will be made twice a year and that the amount of the distribution will approximately the yield on the Straits Times Index.

### *Event occurring after balance sheet date*

On 4 February 2022, the Fund announced a dividend of S\$0.051 per unit totaling S\$25,851,916. The dividend will be paid on 25 February 2022.

### *Outbreak of COVID-19*

In the second half of the financial year of 2020, the outbreak of COVID-19 was declared a pandemic by the World Health Organisation. The situation is dynamic with various cities and countries around the world responding in different ways to address the outbreak.

As a result of the COVID-19 outbreak, global financial markets have experienced significant volatility. Given the extent of the crisis, it is difficult to estimate the impact or duration of the volatility in the portfolio of the Fund.

There was no impact on the Fund's financial statements, including the going concern assumption, as of 31 December 2021.

### *Information on the Manager*

The Manager is State Street Global Advisors Singapore Limited, an indirect wholly-owned subsidiary of State Street Corporation. The Manager will remain manager of the Fund until terminated in accordance to the Fund's Trust Deed. The basis of the Manager's remuneration is set down in the Fund's prospectus dated 17 January 2022. As agreed between the Manager and the Trustee, the total combined management fees, trustee fees and other recurring expenses for the Fund are currently set at 0.3% per annum of its net asset value.



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**STATEMENT OF TOTAL RETURN**

*For the period ended 31 December 2021 (unaudited)*

	<b>31 December 2021 S\$</b>	31 December 2020 S\$
<b>Income</b>		
Dividends	<b>28,640,963</b>	22,342,697
Interest	–	571
Other income	<b>36,324</b>	29,749
	<hr/>	<hr/>
<b>Total income</b>	<b>28,677,287</b>	22,373,017
	<hr/>	<hr/>
<b>Less: Expenses</b>		
Management fee	<b>(2,507,078)</b>	(1,985,170)
Transaction costs	<b>(50,366)</b>	(78,693)
	<hr/>	<hr/>
<b>Total expenses</b>	<b>(2,557,444)</b>	(2,063,863)
	<hr/>	<hr/>
<b>Net income</b>	<b>26,119,843</b>	20,309,154
	<hr/>	<hr/>
<b>Net gains or losses on value of investments</b>		
Net (losses)/gains on investments	<b>(1,250,266)</b>	146,429,436
Net losses on foreign exchange	<b>(17,629)</b>	(38,784)
	<hr/>	<hr/>
	<b>(1,267,895)</b>	146,390,652
	<hr/>	<hr/>
<b>Total return for the period before income tax</b>	<b>24,851,948</b>	166,699,806
Less: Income tax refund/(expense)	<b>60,260</b>	(640,946)
	<hr/>	<hr/>
<b>Total return for the period after income tax</b>	<b>24,912,208</b>	166,058,860
	<hr/>	<hr/>

## STATEMENT OF FINANCIAL POSITION

*As at 31 December 2021 (unaudited)*

	<b>As at 31 December 2021 S\$</b>	<b>As at 30 June 2021 S\$</b>
<b>Assets</b>		
Portfolio of investments	<b>1,601,645,772</b>	1,638,877,361
Receivables	<b>3,090,838</b>	187,565
Cash and bank balances	<b>25,683,287</b>	26,876,832
<b>Total assets</b>	<b>1,630,419,897</b>	1,665,941,758
<b>Liabilities</b>		
Payables	<b>1,259,766</b>	2,529,090
<b>Total liabilities</b>	<b>1,259,766</b>	2,529,090
<b>Equity</b>		
Net assets attributable to unitholders	<b>1,629,160,131</b>	1,663,412,668

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**STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS**

*For the period ended 31 December 2021 (unaudited)*

	<b>31 December 2021 S\$</b>	<b>30 June 2021 S\$</b>
<b>Net assets attributable to unitholders at the beginning of the financial period/year</b>	<b>1,663,412,668</b>	1,113,206,484
<b>Operations</b>		
Change in net assets attributable to unitholders resulting from operations	<b>24,912,208</b>	350,404,440
<b>Unitholders' contributions/(withdrawals)</b>		
Creation of units	<b>33,370,091</b>	456,750,774
Cancellation of units	<b>(70,063,021)</b>	(208,016,923)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	<b>(36,692,930)</b>	248,733,851
Distributions	<b>(22,471,815)</b>	(48,932,107)
Total (decrease)/increase in net assets attributable to unitholders	<b>(34,252,537)</b>	550,206,184
<b>Net assets attributable to unitholders at the end of the financial period/year</b>	<b>1,629,160,131</b>	1,663,412,668

## STATEMENT OF PORTFOLIO

*As at 31 December 2021 (unaudited)*

### Primary – by Industry

	Holdings at 31 December 2021	Fair value at 31 December 2021 S\$	Percentage of total net assets attributable to unitholders at 31 December 2021 %
<b>Quoted Equities</b>			
<b>Aerospace and Defense</b>			
Singapore Technologies Engineering Ltd	8,235,480	30,965,405	1.90
		30,965,405	1.90
<b>Automobiles and Parts</b>			
Jardine Cycle & Carriage Limited	534,589	11,012,533	0.68
		11,012,533	0.68
<b>Banks</b>			
DBS Group Holdings Limited	9,708,810	317,089,735	19.46
Overseas Chinese Banking Corporation	18,869,480	215,112,072	13.21
United Overseas Bank Limited	6,959,564	187,212,272	11.49
		719,414,079	44.16
<b>Beverages</b>			
Thai Beverage PCL	53,000,418	34,980,276	2.15
		34,980,276	2.15
<b>Consumer Services</b>			
SATS Limited	3,434,173	13,358,933	0.82
		13,358,933	0.82
<b>Electronic and Electrical Equipment</b>			
Venture Corp Limited	1,413,020	25,872,396	1.59
		25,872,396	1.59
<b>Food Producers</b>			
Wilmar International Limited	11,373,912	47,087,996	2.89
		47,087,996	2.89

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**STATEMENT OF PORTFOLIO** *(continued)*  
*As at 31 December 2021 (unaudited)*

**Primary – by Industry** *(continued)*

	Holdings at 31 December 2021	Fair value at 31 December 2021 S\$	Percentage of total net assets attributable to unitholders at 31 December 2021 %
<b>Quoted Equities</b> <i>(continued)</i>			
<b>Gas, Water and Multi-utilities</b>			
Sembcorp Industries Ltd	4,908,892	9,817,784	0.60
		9,817,784	0.60
<b>General Industrials</b>			
Jardine Matheson Holdings Limited	1,112,281	82,699,779	5.08
		82,699,779	5.08
<b>Industrial Transportation</b>			
Yangzijiang Shipbuilding Holdings Limited	11,435,302	15,323,305	0.94
		15,323,305	0.94
<b>Investment Banking and Brokerage Services</b>			
Singapore Exchange Ltd	4,429,381	41,193,243	2.53
		41,193,243	2.53
<b>Oil, Gas and Coal</b>			
Keppel Corporation Limited	7,734,020	39,598,182	2.43
		39,598,182	2.43
<b>Personal Care, Drug and Grocery Stores</b>			
Dairy Farm International Holdings Limited	1,624,795	6,280,768	0.38
		6,280,768	0.38
<b>Real Estate Investments</b>			
Ascendas Real Estate Investment Trust*	18,387,950	54,244,452	3.33
CapitaLand Integrated Commercial Trust*	25,721,597	52,472,058	3.22
CapitaLand Investment Limited	13,921,646	47,472,813	2.91
City Developments Ltd	2,530,628	17,233,577	1.06
Frasers Logistics & Commercial Trust*	15,235,166	23,157,452	1.42
Hong Kong Land Holdings Limited	6,253,599	43,952,295	2.70

**STATEMENT OF PORTFOLIO** *(continued)*

*As at 31 December 2021 (unaudited)*

**Primary – by Industry** *(continued)*

	Holdings at 31 December 2021	Fair value at 31 December 2021 S\$	Percentage of total net assets attributable to unitholders at 31 December 2021 %
<b>Quoted Equities</b> <i>(continued)</i>			
<b>Real Estate Investments</b> <i>(continued)</i>			
Keppel DC REIT*	6,878,683	16,990,347	1.04
Mapletree Commercial Trust*	11,841,380	23,682,760	1.45
Mapletree Industrial Trust*	10,011,026	27,129,880	1.67
Mapletree Logistics Trust*	16,043,454	30,482,563	1.87
UOL Group Limited	2,662,820	18,879,394	1.16
		<u>355,697,591</u>	<u>21.83</u>
<b>Telecommunications Service Providers</b>			
Singapore Telecommunications Limited	40,620,949	94,240,602	5.78
		<u>94,240,602</u>	<u>5.78</u>
<b>Travel and Leisure</b>			
ComfortDelGro Corporation Limited	11,090,091	15,526,127	0.95
Genting Singapore Limited	31,305,169	24,261,506	1.49
Singapore Airlines Limited	6,876,807	34,315,267	2.11
		<u>74,102,900</u>	<u>4.55</u>
<b>Portfolio of investments</b>		1,601,645,772	98.31
<b>Cash and other net assets</b>		<u>27,514,359</u>	<u>1.69</u>
<b>Net assets attributable to unitholders</b>		<u><u>1,629,160,131</u></u>	<u><u>100.00</u></u>

\* This is a collective investment scheme

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**STATEMENT OF PORTFOLIO** *(continued)*

*As at 31 December 2021 (unaudited)*

**Primary – by Industry (Summary)**

	Percentage of total net assets attributable to unitholders at 31 December 2021 %	Percentage of total net assets attributable to unitholders at 30 June 2021 %
<b>Quoted Equities</b>		
Aerospace and Defense	1.90	1.95
Automobiles and Parts	0.68	0.70
Banks	44.16	42.44
Beverages	2.15	2.18
Consumer Services	0.82	0.83
Electronic and Electrical Equipment	1.59	1.66
Food Producers	2.89	3.13
Gas, Water and Multi-utilities	0.60	0.64
General Industrials	5.08	5.84
Industrial Transportation	0.94	0.96
Investment Banking and Brokerage Services	2.53	3.03
Oil, Gas and Coal	2.43	2.59
Personal Care, Drug and Grocery Stores	0.38	0.57
Real Estate Investments	21.83	21.59
Telecommunications Service Providers	5.78	5.68
Travel and Leisure	4.55	4.74
<b>Portfolio of investments</b>	<b>98.31</b>	<b>98.53</b>
<b>Cash and other net assets</b>	<b>1.69</b>	<b>1.47</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>



**STATEMENT OF PORTFOLIO** *(continued)*

*As at 31 December 2021 (unaudited)*

**Secondary – By Geography**

	Fair value at 31 December 2021 S\$	Percentage of total net assets attributable to unitholders at 31 December 2021 %	Percentage of total net assets attributable to unitholders at 30 June 2021 %
<b>Quoted Equities</b>			
<b>By Country of Incorporation</b>			
Bermuda	132,932,842	8.16	8.86
Singapore	1,433,732,654	88.00	87.48
Thailand	34,980,276	2.15	2.19
<b>Portfolio of investments</b>	<b>1,601,645,772</b>	<b>98.31</b>	<b>98.53</b>
<b>Cash and other net assets</b>	<b>27,514,359</b>	<b>1.69</b>	<b>1.47</b>
<b>Net assets attributable to unitholders</b>	<b>1,629,160,131</b>	<b>100.00</b>	<b>100.00</b>

